REMARKS

Applicant respectfully requests reconsideration of the present application in view of the reasons that follow.

No claims are currently being amended. Claims 1-10 remain pending in this application.

Rejections under 35 U.S.C. § 103

Claims 1-5 and 8-10 stand rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 5,640,452 to Murphy (hereafter "Murphy") in view of U.S. Patent No. 5,530,754 to Garfinkle (hereafter "Garfinkle"), U.S. Patent No. 6,028,933 to Heer et al. (hereafter "Heer"), JP 0 9035030 A to Kazuyoshi (hereafter "Kazuyoshi"), and U.S. Patent No. 5,592,651 to Rackman (hereafter "Rackman"). Claims 6 and 7 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Murphy, Rackman, Kazuyoshi, and Heer, in further view of "IEEE 1394 High Performance Serial Bus: The Digital Interface for ATV" by Kunzman et al. (hereafter "Kunzman"). Applicant respectfully traverses these rejections for at least the following reasons.

The systems of independent claims 1-3 and 8-10 all require: (1) a device ID detecting means which is configured for detecting, when the transmitting-receiving device on another party (claims 1, 3, 8 and 10), or one of the other parties (claims 2 and 9), is connected to a transmission line, a device ID thereof, and (2) an authenticating means (claims 1-3) or first and second authenticating means (claims 8-10) which performs a device authentication operation for mutually checking that both said devices are devices based on certain rules and the detected device ID of the transmitting-receiving device on the another party (claims 1, 3, 8 and 10) or on the one of other parties (claims 2 and 9). Murphy fails to disclose either of these features, and the remaining references cited in the rejection fail to remedy the deficiencies of Murphy.

Murphy does not disclose the device ID detecting means as recited in the claims. Murphy is directed to preventing unauthorized use of a decryption chip 15i in a receiver 13i with a receiver processor 23i in the context of a satellite positioning system (SATPS). In this regard, the Murphy system determines whether the receiver 13i including the decryption chip 15i is at an authorized location, and Murphy discloses that the processor 23i stores the <u>location</u> of an authorized site.

Murphy, while disclosing storing authorized <u>locations</u> for the decryption chip, nowhere discloses a detecting means which is configured for detecting, when a transmitting-receiving device on another party is connected to a transmission line, a <u>device ID</u> thereof. Neither the processor 23i (or any other component) of Murphy functions to detect a device ID of <u>another party</u> when a transmitting-receiving device on the another party is connected to a transmission line.

The Office Action cites to Murphy at col. 6, lines 41-50 as disclosing a device ID detecting means. The cited section of Murphy, however, merely discloses that the SATPS system determines the present <u>location</u> of an antenna of the SATPS, compares the location with <u>licensed locations</u> which are stored in a processor, and disables decryption if the <u>location</u> is outside a selected region. Murphy does not disclose the device ID detecting means as recited in the claims.

Murphy also fails to disclose an authenticating means which performs a device authentication operation for mutually checking that both said devices are devices based on certain rules and the <u>detected device ID</u> of the transmitting-receiving device on the another party. The Office Action appears to recognize this deficiency in Murphy stating that "Murphy does not disclose the authentication of the devices."

Garfinkle fails to cure the deficiencies of Murphy. The Garfinkle system is directed to a video on demand system including a number of user sites 18 and a central station 10 (see Fig. 1), where a user can transmit video product order data to the central station, and the order data can include data relating to the user (col. 4, lines 59-65). Garfinkle does not disclose, however, that the order data includes a device ID, nor is such a device ID inherent. Thus, even if Garfinkle were combined with Murphy, the combined system would not include a device ID detecting means as recited in claims 1-3 and 8-10.

Moreover, even if the order data of Garfinkle were to include a device ID (which it does not), Garfinkle fails to disclose or suggest that any detected device ID be used in the context of an authenticating means that performs device authentication and then a key exchange operation as in claims 1-3 and 8-10. Thus, even if the Garfinkle order data were to include a device ID, the combination of Garfinkle and Murphy still would not suggest an authenticating means which performs a device authentication operation for mutually checking that both said devices are devices based on certain rules and the detected device ID of the transmitting-receiving device on the another party, as recited in claims 1-3 and 8-10.

Rackman also fails to cure the deficiencies of Murphy. Rackman discloses a system for limiting the number of different video game machines on which a video game cartridge is played, where every video game cartridge records the serial number of any machine on which it is played up to a maximum number (see abstract). A machine will not play an inserted cartridge if its serial number is not recorded and if there is not room left to record it (abstract).

Even if the machine serial number of Rackman could be considered a device ID, Rackman does not disclose or suggest either (1) a device ID detecting means which is configured for detecting, when the transmitting-receiving device on another party is connected to a transmission line, a device ID thereof, or (2) an authenticating means which performs a device authentication operation for mutually checking that both said devices are devices based on certain rules and the detected device ID. Rackman only discloses recording a serial number from a game machine in a game cartridge, when the game catridge is inserted in the game machine. There is no transmission line involved, nor is an authentication operation performed for mutually checking that both the machine and cartridge are devices.

Moreover, there is no proper motivation to combine Rackman with Murphy in the manner suggested in the Office Action. The Office Action states with regard to motivation: "One of ordinary skill in the art would have been motivated to do this because it is a simple cost effective method of preventing a merchant from renting the cartridges that have been purchased in an illegitimate way." The Murphy SATPS system, however, does not concern video game cartridges to be inserted and played in video game machines, but is directed to encryption or decryption of signals from a satellite. The Office Action provides no reason as

to why one skilled in the art would modify Murphy to include a video game machine for receiving an inserted game cartridge. Moreover, even if Murphy were so modified, the combination would not meet the limitations of the claims.

Independent claims 1, 2, 8 and 9 also recite that the authenticating means (claims 1 and 2) or the first and second authenticating means (claims 8 and 9) perform a device authentication operation "when said transmitting-receiving device on another party with a history that authentication has been previously performed therefor is connected to a transmission line." As correctly recognized in the Office Action, Murphy does not disclose the authentication of devices and the maintenance of an authentication history.

Applicant submits that one skilled in the art would not have modified the Murphy system to perform an authentication based on a history of past authentications to arrive at the invention of claims 1 and 2. The Murphy system is for the purpose of determining whether a receiver 13i including a decryption chip 15i is located at an authorized <u>location</u>. There is no need in the Murphy system to include a history of past authentications, which in the Murphy system would be indications of when in the past the receiver was indicated as being in an authorized <u>location</u>, because it is irrelevant to the determining of whether the present location is unauthorized that in the past the location was authorized.

Dependent claims 4-7 are patentable for at least the same reasons as their respective independent claims, as well as for further patentable features recited therein.

Applicant believes that the present application is now in condition for allowance. Favorable reconsideration of the application as amended is respectfully requested.

The Examiner is invited to contact the undersigned by telephone if it is felt that a telephone interview would advance the prosecution of the present application.

The Commissioner is hereby authorized to charge any additional fees which may be required regarding this application under 37 C.F.R. §§ 1.16-1.17, or credit any overpayment, to Deposit Account No. 19-0741. Should no proper payment be enclosed herewith, as by a check being in the wrong amount, unsigned, post-dated, otherwise improper or informal or

even entirely missing, the Commissioner is authorized to charge the unpaid amount to Deposit Account No. 19-0741. If any extensions of time are needed for timely acceptance of papers submitted herewith, Applicant hereby petitions for such extension under 37 C.F.R. §1.136 and authorizes payment of any such extensions fees to Deposit Account No. 19-0741.

Respectfully submitted,

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